

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SPECIAL PROVISIONS – MAINE

### DEFINITIONS

The following definitions are added:

12. "Actual cash value" means the replacement cost of covered property at the time of loss, less the value of physical depreciation as to the damaged property.
13. "Physical depreciation" means a value as determined according to standard business practices.

### SECTION I – PROPERTY COVERAGES

#### D. Coverage D – Loss Of Use

For all forms other than **HO 00 04** and **HO 00 06**, Paragraph **1. Additional Living Expense** is replaced by the following:

##### 1. Additional Living Expense

If a loss covered under Section **I** makes that part of the "residence premises" where you reside not fit to live in, we cover, at your choice, either of the following. However, if the "residence premises" is not your principal place of residence, we will not provide the option under Paragraph **b.** below.

- a. **Additional Living Expense**, meaning any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living; or
- b. **Fair Rental Value**, meaning the fair rental value of that part of the "residence premises" where you reside, less any expenses that do not continue while the premises is not fit to live in.

Payment under **a.** or **b.** will be for the shortest time required to repair or replace the damage or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

For Form **HO 00 04**, Paragraph **B.1. Additional Living Expense** and for Form **HO 00 06**, Paragraph **C.1. Additional Living Expense** is replaced by the following:

##### 1. Additional Living Expense

If a loss by a Peril Insured Against under this policy to covered property or the building containing the property makes the "residence premises" not fit to live in, we cover, at your choice, either of the following. However, if the "residence premises" is not your principal place of residence, we will not provide the option under Paragraph **b.** below.

- a. **Additional Living Expense**, meaning any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living; or
- b. **Fair Rental Value**, meaning the fair rental value of that part of the "residence premises" where you reside, less any expenses that do not continue while the premises is not fit to live in.

Payment under **a.** or **b.** will be for the shortest time required to repair or replace the damage or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

#### E. Additional Coverages

4. **Fire Department Service Charge** is replaced by the following:

##### 4. Fire Department Service Charge

We will pay up to \$500 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against.

This coverage is additional insurance. No deductible applies to this coverage.

(This is Paragraph **C.4.** in Form **HO 00 04** and Paragraph **D.4.** in Form **HO 00 06.**)

11. **Ordinance Or Law** is deleted.

The following provision is added:

**Post-judgment Interest**

We will pay, in accordance with Maine law, interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

This coverage is additional insurance. No deductible applies to this coverage.

**SECTION I – EXCLUSIONS**

**8. Intentional Loss** is replaced by the following:

**8. Intentional Loss**

Intentional Loss means any loss arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss.

This exclusion only applies to an "insured" who commits or conspires to commit an act with the intent to cause a loss.

(This is Paragraph **A.8.** in Forms **HO 00 03** and **HO 00 05.**)

**SECTION I – CONDITIONS**

**I. Loss Payment** is, with respect to non-fire-related losses, replaced by the following:

**I. Loss Payment**

We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 30 days after we receive your proof of loss and:

1. Reach an agreement with you;
2. There is an entry of a final judgment; or
3. There is a filing of an appraisal award with us.

**K. Mortgage Clause (All Forms Except HO 00 04)**

The following paragraphs are added:

If loss hereunder is made payable, in whole or in part, to a designated mortgagee not named herein as the "insured", such interest in this policy may be cancelled by giving to such mortgagee a 10-day written notice of cancellation.

If the "insured" fails to render proof of loss, such mortgagee, upon notice, shall render proof of loss in the form herein specified within 60 days thereafter and shall be subject to the provisions hereof relating to appraisal and time of payment and of bringing suit.

If this Company shall claim that no liability existed as to the mortgagor or owner, it shall, to the extent of payment of loss to the mortgagee, be subrogated to all the mortgagee's rights of recovery, but without impairing mortgagee's right to sue; or it may pay off the mortgage debt and require an assignment thereof and of the mortgage.

Other provisions relating to the interests and obligations of such mortgagee may be added hereto by agreement in writing.

Paragraph **3.** is replaced by the following:

3. If we decide to cancel or not to renew this policy, the mortgagee will be notified with the same number of days' notice as the Cancellation or Nonrenewal provisions of this policy.

**Q. Concealment Or Fraud** is deleted.

(This is Condition **P.** in Form **HO 00 04.**)

**SECTION II – LIABILITY COVERAGES**

**A. Coverage E – Personal Liability**

Paragraph **1.** is replaced by the following in all forms and Endorsements **HO 24 73** and **HO 24 82**:

1. Pay up to our limit of liability for the damages for which an "insured" is legally liable; and

**SECTION II – EXCLUSIONS**

**E. Coverage E – Personal Liability And Coverage F – Medical Payments To Others**

Paragraph **1.** is replaced by the following:

**1. Expected Or Intended Injury**

"Bodily injury" or "property damage" which is intended or reasonably expected by an "insured" even if the resulting "bodily injury" or "property damage":

- a. Is of a different kind, quality or degree than a reasonable person would have expected or intended; or
- b. Is sustained by a different person, entity, real or personal property, than a reasonable person would have expected or intended.

However, this Exclusion **E.1.** does not apply to "bodily injury" resulting from the use of reasonable force by an "insured" to protect persons or property;

**F. Coverage E – Personal Liability**

Paragraph **6.** is replaced by the following in all forms and Endorsement **HO 24 73**:

6. "Bodily injury" to you or to any son or daughter of yours, if a resident of your household.

This exclusion also applies to any claim made or suit brought against you or any son or daughter of yours, if a resident of your household:

(1) To repay; or

(2) To share damages with;

another person who may be obligated to pay damages because of "bodily injury" to any son or daughter of yours, if a resident of your household.

## **SECTION II – ADDITIONAL COVERAGES**

### **A. Claim Expenses**

The following paragraph is added:

5. Prejudgment interest awarded against an "insured" on that part of the judgment we pay. If we make an offer to pay the applicable limit of liability, we will not pay any prejudgment interest based on that period of time after the offer.

## **SECTION II – CONDITIONS**

**J. Concealment Or Fraud** is deleted.

## **SECTIONS I AND II – CONDITIONS**

### **C. Cancellation**

Paragraph 2. is replaced by the following:

2. We may cancel this policy subject to the provisions of this condition by notifying you in writing of the date cancellation takes effect and the reason for cancellation. This cancellation notice may be delivered to you or mailed to you at your last known address. A postal service certificate of mailing to you will be conclusive proof of notification on the fifth calendar day after mailing.
  - a. When you have not paid the premium, whether payable to us or our agent or under any finance or credit plan, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
  - b. When this policy has been in effect for less than 90 days (less than 120 days if the policy covers a secondary residence expected to be continuously unoccupied for three or more months in an annual period) and is not a renewal with us, we may cancel for any reason. Except as provided in Paragraph 2.a. above, we will let you know at least 20 days before the date cancellation takes effect.

c. When this policy has been in effect for 90 days or more (120 days or more if the policy covers a secondary residence expected to be continuously unoccupied for three or more months in an annual period), or at any time if it is a renewal with us, we may cancel for one or more of the following reasons by letting you know at least 20 days before the date cancellation takes effect:

- (1) Your conviction of a crime having as one of its necessary elements an act increasing any hazard insured against;
- (2) Fraud or material misrepresentation by you or your representative in obtaining this policy, including a failure to disclose a material fact during the application process that, if known by us, would have substantially altered the terms of the policy;
- (3) Fraud or material misrepresentation by you in pursuing a claim under this policy;
- (4) Negligent acts or omissions by an "insured" which substantially increase any hazard insured against;
- (5) Physical changes in the insured property which result in the property becoming uninsurable;
- (6) The insured property is vacant and custodial care is not maintained on the property;
- (7) A trampoline which remains on the insured property for 30 days or more after the date of notice you receive from us notifying you of our intent to cancel the policy if it is not removed;
- (8) An unfenced or improperly fenced swimming pool which remains on the insured property for 30 days or more after the date of notice you receive from us notifying you of our intent to cancel the policy if it is not removed or fenced as required by law;
- (9) A loss caused by a dog bite and the dog whose bite caused the loss remains after you receive from us our notice of policy cancellation or nonrenewal; or
- (10) Your failure to comply with reasonable loss control recommendations within 90 days after you receive notice of the loss control recommendations from us.

**D. Nonrenewal** is replaced by the following:

**D. Nonrenewal**

We may elect not to renew this policy. We may do so by letting you know in writing at least 30 days before:

1. The expiration date of the policy, for a policy written for a term of one year or less; or
2. The anniversary date of the policy, for a policy written for a term of more than one year or for an indefinite term.

This nonrenewal notice, together with our reason for nonrenewal, may be delivered to you or mailed to you at your last known address. A post office department certificate of mailing to you will be conclusive proof of notification on the third calendar day after mailing.

The following paragraph is added:

**H. Concealment Or Fraud**

We do not provide coverage for the "insured" who, whether before or after a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
  2. Engaged in fraudulent conduct; or
  3. Made false statements;
- relating to this insurance.

**THE FOLLOWING LIMITS OUR LIABILITY**

We, the insurance company, our agents, employees, or service contractors, are not liable for damages from injury, death or loss occurring as a result of any act or omission in the furnishing of or the failure to furnish insurance inspection services related to, in connection with or incidental to the issuance or renewal of a policy of property or casualty insurance.

This exemption from liability does not apply:

1. If the injury, loss or death occurred during actual performance of inspection services and was proximately caused by our negligence, or by the negligence of our agents, employees or service contractors;
2. To any inspection services required to be performed under the provisions of a written service contract or defined loss prevention program;
3. In any action against us, our agents, employees, or service contractors for damages proximately caused by our acts or omissions which are determined to constitute a crime, actual malice or gross negligence; or
4. If we fail to provide this written notice to the insured whenever the policy is issued or when new policy forms are issued upon renewal.

All other provisions of this policy apply.